

INFORMATION ON ALTERNATIVES IN LIEU OF BOND REQUIREMENTS

IMPORTANT: A claim may be brought against a bond or cash deposit within two years after the expiration of the license period(s) for which the bond or cash deposit has been provided or within two years of the date on which the Board inactivates the license, whichever occurs first. **THEREFORE, THE CASH DEPOSIT MUST REMAIN ON FILE WITH THE CONTRACTORS STATE LICENSE BOARD FOR A PERIOD OF TWO YEARS AFTER TERMINATION OF THE LICENSE OR LICENSE PERIOD.**

CERTIFICATE OF DEPOSIT must be issued by a bank or savings and loan association doing business in this state, show the business name of the applicant or licensee, be made payable to the **CONTRACTORS STATE LICENSE BOARD** in the amount of Seven Thousand Five Hundred Dollars [\$7,500], (Ten Thousand Dollars [\$10,000] is required for Swimming Pool Contractors), **be issued for a period of not less than one year, be automatically renewable at each maturity date**, and state that any interest earned be paid to the depositor. A certificate of deposit will not be accepted when the word "Trustee" is included with the name of the payee.

AN ASSIGNMENT OF A BANK SAVINGS ACCOUNT, A SAVINGS AND LOAN ASSOCIATION INVESTMENT CERTIFICATE OR SHARE ACCOUNT, A CREDIT UNION CERTIFICATE FOR FUNDS OR SHARE ACCOUNT must be on a form approved by the Registrar of Contractors and be completed in accordance with instructions thereon. (Forms may be obtained from the Contractors State License Board.)

The bank savings account passbook, savings and loan association share account passbook or investment certificate, credit union certificate for funds or share account passbook must be delivered to the Registrar of Contractors with the assignment. The passbook or certificate must show the business name of the applicant or licensee, be assigned to the Contractors State License Board, show the amount of Seven Thousand Five Hundred Dollars [\$7,500] (Ten Thousand Dollars [\$10,000] is required for Swimming Pool Contractors). The interest earned on the account must be paid to the assignor.

CASH deposited with the Contractors State License Board may be in the form of a cashier's check or bank certified check payable to the Contractors State License Board in the amount of Seven Thousand Five Hundred Dollars [\$7,500] (Ten Thousand [\$10,000] is required for Swimming Pool Contractors). A personal check will not be accepted. For identification purposes, a cashier's check or bank certified check must show the name of the purchaser. Cash deposited with the Board does not earn interest.

BEARER BONDS issued by the United States Government or by the State of California must be delivered to a bank at Sacramento, California in an amount the market value (bid price) of which is equal or in excess of the amount of a Surety Bond prescribed in Section 7071.6 and Section 7071.9 of the Business and Professions Code or as fixed by the Registrar as provided in Section 7071.8 of said code. The bank, acting as agent for the applicant or licensee, will on order of the Registrar of Contractors deliver the bonds to the Treasurer of the State of California. Under no circumstances are bearer bonds to be delivered to the Contractors State License Board or the Registrar of Contractors.

NOTE: File the correct assignment form with your cash deposit:

FORM NUMBER 13B-26 - The assignment form for a cash deposit in lieu of the Contractor's Bond required by Section 7071.6; also the assignment form for a cash deposit in lieu of the Disciplinary Bond required by Section 7071.8;

FORM NUMBER 13B-28 - The assignment form for a cash deposit in lieu of the Qualifying Individual Bond required by Section 7071.9.

Reference: Sections 7071.6, 7071.8, 7071.9, 7071.12 of the Business and Professions Code. Sections 995.710, 995.720, 995.730, 995.740, 995.750, 995.760, 995.770 of the Code of Civil Procedure.